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SOFTWARE USER'S GUIDE FOR

AUTOMATED ACCOUNTING 8.1
SOFTWARE
WINDOWS 95, 98, NT, 2000, Me, or XP

ALLEN & KLOOSTER

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Automated Accounting 8.1—Software User's Guide

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INTRODUCTION

Welcome to South-Western's *Automated Accounting 8.1* software. Many professional business managers and accountants need to know how to use computerized accounting systems because computers can be used so effectively in accounting applications. Upon entering a business profession, a student can expect to work with computers and computerized accounting software systems.

This software will teach students about computerized accounting and accounting spreadsheet applications, using a hands-on approach. The *Automated Accounting* textbook, accompanied by the software, can be used to teach a separate course on computerized accounting, which prepares the student for the process of manipulation of accounting data via a computerized system. The accounting transactions are similar to business transactions that take place on a day-to-day basis.

The reports that are generated as a result of entering business transactions include financial statements, bank reconciliations, spreadsheets, and other management information reports. These can be used to make business decisions by management, operations, and outside investors. There are also reports that can be generated from planning tools when creating what-if scenarios for future investing plans.

Automated Accounting 8.1 software makes use of a standard Windows interface that utilizes drop-down menus, a toolbar, movable overlapping windows, mouse support, on-screen help, tool tips, new journal screens, a journal wizard, planning tools, and other Windows conventions.

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Because this software uses the standard Windows interface, visual and functional consistency is achieved within and across Windows-based applications. The learning process that is gained as a result of using *Automated Accounting* software can prepare students with the basic foundation of skills needed to work with other accounting software packages used in businesses today.

BEFORE YOU BEGIN

This reference documentation will familiarize the user with the capabilities and operating procedures of South-Western's *Automated Accounting 8.1* software. It is assumed that the user is familiar with the basic operations of the computer, including using a mouse, choosing commands, and working with windows, dialog boxes, and scroll bars. These basic operations are described in the user's manual that accompanies your computer.

DEMONSTRATION ACTIVITIES

The demonstration activities in this booklet will assist you in becoming familiar with *Automated Accounting 8.1*. By using this software, you will soon see why *Automated Accounting* is by far the most popular educational accounting software used by high schools throughout the United States. First, you will be provided information on how to install the demonstration software to your hard disk drive. Second, you will be given system startup and demonstration file loading procedures. Next, activities that highlight the features of *Automated Accounting 8.1* are provided, which you may complete using the accompanying demonstration software.

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the account title and amounts. Format amounts in currency format ($X,XXX.XX) and the component calculations in percentage format (XXX.XX%).

Step 6: End your spreadsheet session.

PERIOD-END CLOSING ACTIVITY

In this activity you will generate, display, and post closing journal entries.

Step 1: Generate and post the closing journal entries.
Choose the *Generate Closing Journal Entries* menu item from the Options menu. When the dialog box appears asking if you want to generate the closing journal entries, click *Yes* to continue. When the Closing Journal Entries dialog box appears, click *Post*. The journal entries will reappear, posted, in the general journal. Click *Close*.

Step 2: Display the closing entries.
Click the *Reports* toolbar button. Choose the *Journals* option button, select the *General Journal* report, and click *OK*. When the Journal Report Selection window appears, choose *Customize Journal Report*, select a Reference restriction of *Clo.Ent.*, and click *OK*.

Step 3: Display a post-closing trial balance.
Choose the *Ledger Reports* option button from the Report Selection window, select the *Trial Balance* report, and then click *OK*.

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SPREADSHEET INTEGRATION ACTIVITY

In this activity, you will copy and paste the *Automated Accounting* December balance sheet to a spreadsheet application. You will then add a column to the balance sheet that shows the component percentage of total assets.

Step 1: Display and copy the balance sheet to the clipboard in spreadsheet format.
Click the *Report* toolbar button, select *Financial Statements* from the Select Report Group list, and then select *Balance Sheet* from the Choose a Report to Display list. When the balance sheet appears, click the *Copy* button and select the option to copy the report to the clipboard in spreadsheet format.

Step 2: Start up your spreadsheet software.

Step 3: Select cell *A1* as the current cell (if not already selected) and paste the balance sheet (copied to the clipboard in Step 1) into the spreadsheet.

Step 4: Enter the component % heading label and formulas, as follows:
Enter: *Component %* in cell D8.
Enter the formula to calculate the component % in cell D10: @ABS(B10-C10)/+C29.
Copy and paste: the formula in cell D10 to the appropriate following cells.

Step 5: Format the spreadsheet.
Widen the columns as necessary to accommodate

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INSTALLATION PROCEDURE

The *Automated Accounting 8.1* problem files and the demonstration activities are included with the *Automated Accounting 8.1* software. To use the software, you need a processor running in the Windows 95, 98, NT, 2000, Me, or XP environment. In addition, a hard disk drive with at least 15 megabytes of available disk space and a CD drive are required for installation.

The accompanying CD contains compressed *Automated Accounting 8.1* programs and a demonstration file required to complete the activities in this booklet. During the installation process, all of these compressed files are expanded into an executable format onto your computer's hard disk. The installation is a common procedure employed by the computer you are using. Instructions are provided on the installation CDs label.

It is possible, in rare cases, that the colors chosen by the user within the computer's color control panel conflict with the colors used by *Automated Accounting 8.1* in such a way that images and/or text may appear invisible. If you experience any problems with colors, go to the control panel and change colors. It is recommended that the colors used be the default colors provided by your computer's operating user interface system software.

INSTALLATION INSTRUCTIONS FOR *AUTOMATED ACCOUNTING 8.1* SOFTWARE

If *Automated Accounting 8.1* is already installed on your computer, you must uninstall it before proceeding.

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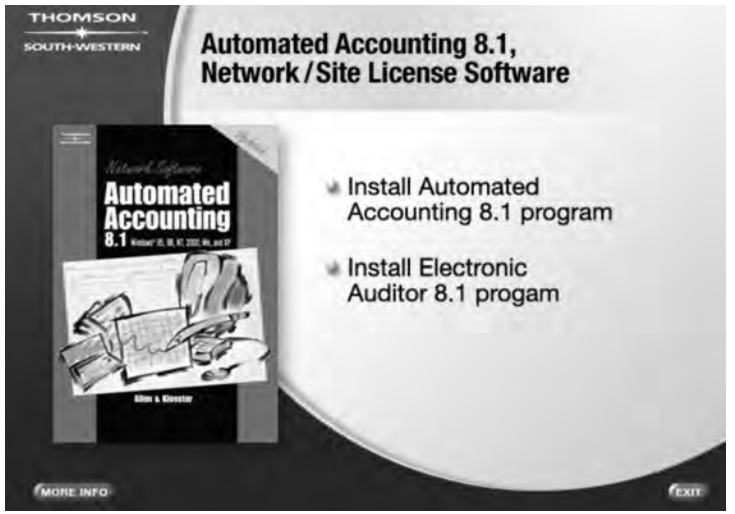
To uninstall *Automated Accounting 8.1*, click the Start button, choose *Automated Accounting* Version 8, and then choose Uninstall *Automated Accounting 8.1*.

INSTALLING *AUTOMATED ACCOUNTING 8.1* ON AN INDIVIDUAL COMPUTER

1. Put the *Automated Accounting 8.1* CD in your CD-ROM or DVD drive.
2. Shortly, the *Automated Accounting 8.1* Main Menu screen will appear, which will lead you through the installation process.



3. Click the *Install Automated Accounting 8.1* button.
4. The Select Components screen displays. Press the *Typical Install* button. (**Note: Individual License** users

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as the percent this difference is of the budgeted amount.

PLANNING TOOLS ACTIVITY

Planning Tools are convenient, fast, easy-to-use ways of producing results for commonly used applications. Five different planners are provided: College, Savings, Loan, Retirement, and Notes & Interest. In this activity you will use the Notes & Interest Planning Tool to find the maturity dates and interest on three different notes.

Step 1: Click the *Tools* Toolbar button.

Step 2: When the Planning Tools window appears, click the *Notes & Interest* tab, and calculate maturity dates and interest for each of the following three notes.
Use the current year for the date of each note. Enter the data for Note 1, and display a note analysis report. Repeat the procedure for Notes 2 and 3.

Note	Date of Note	Principal of Note	Interest Rate	Time of Note
1	Feb. 5	$6000.00	8.75	90 days (based on 360 days)
2	Apr. 10	7500.00	10.25	6 months (number of months)
3	June 1	3000.00	14.00	30 days (based on 365 days)

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Step 14: Display a Statement of Account for Future Data Services.
Select *Statements of Account* and click *OK*. Advance through the statements by clicking on the >> button until Future Data Services appears.

BUDGETARY ACTIVITY

In this activity you will change yearly budget amounts and generate a budgetary performance report.

Step 1: Enter the budget amount changes shown below.
Click the *Other* toolbar button. Click the *Budgets* tab, select the appropriate budget amount, and enter the change. Be sure to scroll through the window in order to enter the changes.

Account Title	Budget
Insurance Expense General	300.00
Office Supplies Expense	350.00

Step 2: Display the Performance Report.
Click the *Reports* toolbar button. Choose the *Financial Statements* option from the Report Selection window, select *Performance Report*, and click *OK*. The performance report is presented in the form of an income statement so that the actual income or loss can be compared to the budgeted income or loss. For each amount, the difference between the budgeted amount and the actual amount is shown, as well

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do not have to press this button.) Check the box(es) of the Accounting textbook(s) you want to use. (Files are available for *Century 21 Accounting,* First Year Course, 8e, *Century 21 Accounting*, Advanced Course, *Century 21 Accounting* 8e Simulations, and *Keeping Financial Records for Business,* 10e.) Click *Next*.

5. When the Choose Destination dialog appears, verify the default folder specified in the Destination Folder section. If necessary, use the Browse button to change the destination folder. Click the *Install* button to complete the installation.

INSTALLING *AUTOMATED ACCOUNTING 8.1* ON A LOCAL AREA NETWORK

Installing *Automated Accounting 8.1* to a network is a two-step process. First you will install the *Automated Accounting* files on the LAN server. Next you will run the *Automated Accounting* setup program and install the system files and shortcuts on **each** client workstation.

INSTALLING THE *AUTOMATED ACCOUNTING 8.1* FILES ON THE SERVER

1. Put the *Automated Accounting* Software CD in your CD-ROM or DVD drive.
2. Choose *Install Automated Accounting 8.1*.
3. When the Welcome dialog appears, click *Next*.
4. When the Setup Type dialog appears, click on the *Custom* button and then, click *Next*.

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When the Select Components dialog appears, **clear** the check mark from the Client Files. **Check** the box for Server Files. Also check the box(es) of the *Century 21 Accounting* textbook(s) you want to use. (Files are available for *Century 21 Accounting*, First Year Course, 8e, *Century 21 Accounting*, Advanced Course, *Century 21 Accounting* 8e Simulations, and *Keeping FinancialRecords for Business*, 10e.) Click *Next*.

5. When the Choose Destination Location dialog appears, click the *Browse* button and establish the folder on the Server in which you would like the *Automated Accounting* Software files to be placed. Click *Next* to complete the installation of the *Automated Accounting* Software files.

Installing the Client Files and Shortcuts on Each Workstation

(**IMPORTANT**—If *Automated Accounting 8.1* was previously installed on this workstation, uninstall it before proceeding with the installation.)

1. Put the *Automated Accounting* Software CD in your CD-ROM or DVD drive.
2. Choose *Install Automated Accounting 8.1*.
3. Click *Next* to dismiss the Welcome screen.
4. When the Setup Type dialog appears, choose *Custom*. Click *Next*.
5. Clear the check box for "Server Files". Check the box for "Client Files".

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Step 9: Display a Sales Journal report.
Select the *Sales Journal*, and click *OK*. When the Journal Report Selection window appears, select *Customize Journal Report* and enter a date range of December 01 to December 31 of the current year.

Step 10: Display a General Ledger report for the Accounts Receivable, Sales, and Sales Returns & Allow. accounts.
Choose *Ledger Reports*, select *General Ledger*, and then click *OK*. Enter the accounts receivable account (*1120*) in both the From and To drop-down text boxes in the account range dialog box, and then click *OK*. When displaying the Sales account, enter *4110* in both the From and To drop-down text boxes. When displaying the Sales Returns & Allow. account, enter *4130* in both the To and From drop-down text boxes.

Step 11: Display a Trial Balance report.
Choose the *Ledger Reports* option, select *Trial Balance*, and click *OK*.

Step 12: Display a Schedule of Accounts Receivable.
Select *Schedule of Accounts Receivable* and click *OK*.

Step 13: Display an Accounts Receivable Ledger.
Select *Accounts Receivable Ledger* and click *OK*. When the Vendor Range dialog box appears, click *OK* to accept the default range of all vendors.

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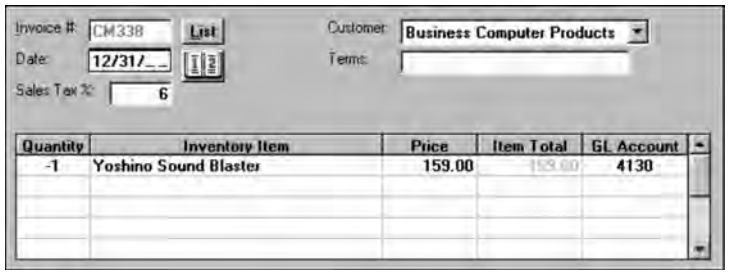

Step 3: Display an Inventory List report.
Click the *Reports* toolbar button. Choose the *Inventory Reports* option button, and then select the *Inventory List* report. Click *OK*.

Step 4: Display the inventory transactions for December.
Select *Inventory Transactions* and click *OK*.

Step 5: Display the Inventory Exceptions report.
Select *Inventory Exceptions* and click *OK*.

Step 6: Display the inventory valuation reports.
Select the desired valuation report (Average Cost, LIFO, FIFO) and click *OK*.

Step 7: Display the Yearly Sales report.
Select *Yearly Sales* and click *OK*.

Step 8: Display a General Journal report.
Choose the *Journals* option, select the *General Journal*, and click *OK*. When the Journal Report Selection window appears, select *Customize Journal Report* and enter a reference of *CM338*.

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6. When the Identify Automated Accounting Folder dialog appears, click the *Browse* button and locate the folder on the Server in which the Automated Accounting files were installed.
7. Complete the installation.
8. Repeat this same process for each client workstation.

INSTALLING *ELECTRONIC AUDITOR 8.1* (SITE LICENSE ONLY)

1. Click the *Install Electronic Auditor 8.1* program button from the *Automated Accounting 8.1* Main Menu screen.
2. Click *Next* to dismiss the Welcome screen.
3. The Select Components screen displays. Press the *Typical Install* button. (**Note: Individual License** users do not have to press this button.) Check the box(es) of the Accounting textbook(s) you want to use. (Files are available for *Century 21 Accounting*, First Year Course, 8e, *Century 21 Accounting*, Advanced Course, *Century 21 Accounting* 8e Simulations, and *Keeping Financial Records for Business*, 10e.) Click *Next*.
4. When the Choose Destination dialog appears, verify the default folder specified in the Destination Folder section. If necessary, use the Browse button to change the destination folder.
5. Click the *Next* button to complete the installation.
6. Click *Finish* to complete the installation.

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START UP AND LOAD DEMO FILE PROCEDURE

To begin working with *Automated Accounting 8.1* (after the installation has been completed):

Step 1: Turn on your computer and select *Automated Accounting 8.1* from the Start/Programs menu.

Step 2: After the *Automated Accounting 8.1* software loads into your computer's memory, a copyright information window will appear. Click any mouse button or press any keyboard key to dismiss the copyright information.

Step 3: Load the demonstration file, AA8 Demonstration Problem.
Click the *Open* toolbar button. When the Open file dialog box appears, double-click the *AA8 Demonstration Problem* file name.

Step 4: Enter your name in the User Name text box, and click *OK*.

The activities in this demonstration problem will assist you in becoming familiar with *Automated Accounting 8.1*. The following step-by-step instructions will showcase many of the major features of the *Automated Accounting* software in accounting, bank reconciliation, plant assets, payroll, sales order processing and inventory control, budgeting, Planning Tools, spreadsheet integration, and period-end closing activities.

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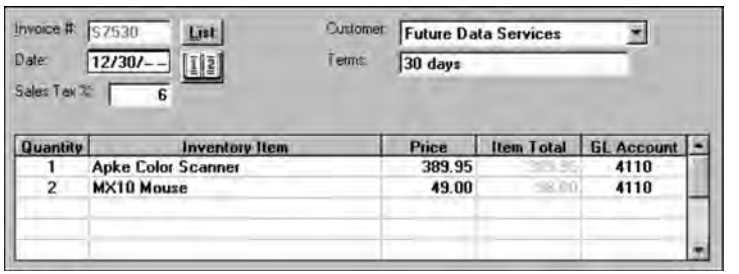
Dec. 30 Sold the following merchandise to Future Data Services Co., terms 30 days, 6% sales tax, Sales Invoice No. S7530:

Description	Quantity Sold	Selling Price
Apke Color Scanner	1	389.95
MX10 Mouse	2	49.00



Step 2: Enter and display the sales return shown below.

Dec. 31 The following merchandise was returned to Sage Computer Systems by Business Computer Products, 6% sales tax, Sales Return No. CM338 (enter the quantity returned as a negative value as shown below):

Description	Quantity Returned	Price
Yoshino Sound Blaster	1	159.00

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report from the Choose a Report to Display list. When the Journal Report selection window appears, choose the *Customize Journal Report* option and click *OK*. Set the reference to Payroll, and then click *OK*. Repeat this procedure using a reference of *Pay. Tax* to display the employer's journal entry.

Step 6: Display the Quarterly Report.
Choose the *Payroll Reports* option button from the Select a Report Group list, select the *Quarterly Report* from the Choose a Report to Display list, and then click *OK*.

Step 7: Display the W-2 statements.
Select the *W-2 Statements* from the Choose a Report to Display list, and then click *OK*.

SALES ORDER PROCESSING AND INVENTORY CONTROL ACTIVITY

In this activity you will perform the operating procedures necessary to process a sales and a sales return transaction. The transaction data is illustrated within the step-by-step instructions provided.

Step 1: Enter and display the sales invoice data shown below.
From the Other Activities window, click the *Sales Invoice* tab and enter the sales invoice data.

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You may explore on your own by choosing menu items, displaying reports and graphs, entering your own data, etc., or you can pick and choose from the following activities to learn more about the specific features of the software.

ACCOUNTING ACTIVITY

In this activity you will complete the December 16–31 transactions for Sage Computer Systems, a merchandising business organized as a corporation. The transactions are illustrated in the appropriate journals within the step-by-step instructions that follow.

Step 1: Enter the General Journal transactions shown below.
Click the *Journal* toolbar button. When the Journal Entries window appears, click the *General Journal* tab (if not already chosen) and enter the journal entries.

Dec. 18 Granted credit to SBCD Computer Depot for merchandise returned, $136.15. CM337.

27 Bought store equipment on account from Quick Office Supply, $650.00. M217.

Date	Refer	Account	Debit	Credit	Vendor/Customer
12/18/--	CM337	4130 Sales Returns & Allow.	136.15		
		1120 Accounts Receivable		136.15	SBCD Computer Depot
12/27/--	M217	1560 Store Equipment	650.00		
		2110 Accounts Payable		650.00	Quick Office Supply

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Step 2: Enter the Purchases Journal transactions shown below.

Click the *Purchases* tab and enter the journal entries.

Dec. 17 Purchased merchandise on account from Electronic Supply Co., $235.00. P2177.

27 Purchased merchandise on account from TBC Equipment Co., $1,089.95. P2178.

Date	Refer.	Purch. Debit	A.P. Credit	Vendor
12/17/--	P2177	235.00	235.00	Electronic Supply Co.
12/27/--	P2178	1089.95	1089.95	TBC Equipment Co.

Step 3: Enter the Cash Payments Journal transactions shown below.

Click the *Cash Payments* tab and enter the journal entries. **Note:** Each time a cash payment is posted, the computer automatically generates and displays the accounts payable check.

Dec. 16 Paid cash on account to Computer Lab Supply, $1,174.65, less 2% discount, $23.49. CK632.

28 Paid cash on account to Watts Supply Company, $437.00, no discount. CK633.

Date	Refer.	Acct. No.	Debit	Credit	A.P. Debit	Purchase Disc. Cr	Cash Credit	Vendor
12/16/--	CK632				1174.65	23.49	1151.16	Computer Lab Supply
12/28/--	CK633				437.00		437.00	Watts Supply Company

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Step 2: Display the Payroll Report.

Make sure the Run Date is set to 12/31/--. Then choose the *Payroll Report* option button from the Choose a Report to Display list, and click *OK*.

Step 3: Generate and post the journal entry for the current payroll.

Choose the *Current Payroll Journal Entry* menu item from the Options menu. Click *Yes* when asked if you want to record the current payroll. When the entries appear in the Current Payroll Journal Entries dialog box, click *Post*. The journal entries will reappear, posted, in the general journal.

Step 4: Generate and post the employer's payroll taxes journal entry.

With the General Journal window still displayed, choose the *Employer's Payroll Taxes* menu item from the Options menu. Click *Yes* when asked if you want to record the employer's payroll taxes. When the entries appear in the Payroll Taxes Journal Entries dialog box, click *Post*. The journal entries will reappear, posted, in the general journal.

Step 5: Display the payroll journal entries.

Click the *Reports* toolbar button. When the Reports Selection window appears, choose the *Journals* option button from the Select a Report Group list, and select the *General Journal*

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end-of-quarter and end-of-year reports. The information required to complete the December 31st payroll is illustrated within the step-by-step instructions provided.

Step 1: Enter the December Payroll transaction data shown below and generate paychecks.
Click the *Other* toolbar button. When the Other Activities window appears, click the *Payroll* tab and enter the payroll transaction data provided below. Have the computer calculate taxes by clicking *Calculate Taxes* after tabbing past the salary amount for salaried employees, or after entering the number of hours worked for hourly employees. Click *OK*. **Note:** Each time an employee's data is entered, the computer automatically generates and displays the employee's paycheck.

Employee Number	Employee Name	Regular Hours	Overtime Hours
110	Downey, Shelley	(Salaried)	
120	Hamlin, Walter	176.00	1.50
130	Payne, Heather	176.00	3.00
140	Washburn, Roger	(Salaried)	

Date	Employee Name	Check No.	Salary	Reg. Hours	O.T. Hours	Pieces	Comm. Sales	Federal Tax	State Tax
12/31/--	Downey, Shelley	755	2350.00					181.25	65.61
12/31/--	Hamlin, Walter	756		176.00	1.50			211.25	45.53
12/31/--	Payne, Heather	757		176.00	3.00			214.71	46.64
12/31/--	Washburn, Roger	758	2300.00					143.13	60.57

City Tax	Social Security	Medicare	Health Insurance	Dental Insurance	Credit Union	Net Pay
23.50	145.70	34.08	75.00	35.00	225.00	1504.86
18.27	113.28	26.49	50.00	25.00	120.00	1217.24
18.50	114.71	26.83	50.00	25.00	100.00	1253.74
23.00	142.60	33.35	80.00	40.00	150.00	1627.35

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Step 4: Enter the Sales Journal transactions shown below.
Click the *Sales* tab and enter the journal entries.

Dec. 17 Sold merchandise on account to Spectrum Data Services, $4,950.00. S7528.

28 Sold merchandise on account to Web Source Electronics, $2,325.50. S7529.

Date	Refer.	Sales Credit	A.R. Debit	Customer
12/17/--	S7528	4950.00	4950.00	Spectrum Data Services
12/28/--	S7529	2325.50	2325.50	Web Source Electronics

Step 5: Enter the Cash Receipts Journal transactions shown below.
Click the *Cash Receipts* tab and enter the journal entries.

Dec. 20 Received cash on account from Business Computer Products, $879.06, covering an invoice amount of $897.00, less 2% discount, $17.94. R3159.

31 Recorded cash and credit card sales, $12,849.50, plus sales tax, $770.97; total, $13,620.47. T51.

Date	Refer	A.R. Credit	Sales Credit	Sales Tax Pay. Cr.	Sales Disc. Dr.	Cash Debit	Customer
12/20/--	R3159	897.00			17.94	879.06	Business Computer Products
12/31/--	T51		12849.50	770.97		13620.47	

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Step 6: Display the General Journal, Purchases Journal, Cash Payments Journal, Sales Journal, and Cash Receipts Journal reports.
Click the *Reports* toolbar button. When the Report Selection window appears, choose the *Journal* option button from the Select a Report Group list. Select the desired journal report from the Choose a Report to Display list, and then click *OK*. When the Journal Report Selection window appears, choose the *Customize Journal Report* option and click *OK*. If necessary, set the Start Date to 12/01/-- and the End Date to 12/31/-- (where -- is the current year), and then click *OK*.

Step 7: Display a trial balance, a schedule of accounts payable, and a schedule of accounts receivable.
Choose the *Ledger Reports* option from the Select a Report Group List. Select the desired ledger report from the Choose a Report to Display list, and then click *OK*.

Step 8: Enter the adjusting entries from the General Journal shown below.
Click the *Journal* toolbar button. After the Journal Entries window appears, click the *General Journal* tab, and then enter the adjusting entries. Key *Adj.Ent.* for a reference.

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and then click *OK*. When the Depreciation Schedules dialog box appears, select an asset range of 340-Glass Cabinet to 340-Glass Cabinet, and then click *OK*.

Step 4: Generate the depreciation adjusting entries.
Choose *Depreciation Adjusting Entries* from the Options menu. Click *Yes* when asked if you want to generate the yearly depreciation adjusting entry. When the Depreciation Adjusting Entries dialog box appears, click *Post*. The journal entry will reappear, posted, in the general journal. Click *Close*.

Step 5: Display the adjusting entries.
Click the *Reports* toolbar button. Choose the *Journals* option button, and then select the *General Journal* report. When the Journal Report Selection window appears, choose *Customize Journal Report* and then select a date range of December 01 through December 31 of the year 2002, and a Reference restriction of *Dep.Adj*.

Step 6: Display a Trial Balance.
Choose the *Ledger Reports* option button from the Report Selection window, select the *Trial Balance* report, and then click *OK*.

PAYROLL ACTIVITY

In this activity you will process the December payroll and generate the payroll and employer's journal entries. Since this is the last payroll of the year, it will include the

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PLANT ASSETS ACTIVITY

In this activity you will add a new plant asset and display a Plant Assets report and Depreciation Schedule. In addition, you will generate and post the yearly depreciation adjusting journal entries.

Step 1: Enter the plant asset data shown below.
Click the *Accts.* toolbar button. When the Accounts Maintenance window appears, click the *Plant Assets* tab and enter the plant asset data.

Dec. 27, 2002 Purchased Glass Cabinet for $650.00; salvage value, $75.00; useful life, 7 years; accumulated depreciation account number 1570; depreciation expense account number 6120; depreciation method, SYD; assign asset no. 340.

No.	Asset Name	Date Acquired	Use. Life	Original Cost	Salvage Value	Accum Depr.	Depr. Exp.	Depr. Meth.
	Glass Cabinet	12/27/02	7	650.00	75.00	1570	6120	SYD

Step 2: Display a Plant Assets List report.
Click the *Reports* toolbar button. Choose *Plant Assets* and select the *Plant Assets* List report. Click *OK*.

Step 3: Display the Depreciation Schedule for the new asset (340 - Glass Cabinet).
Choose the *Depreciation Schedules* option button from the Choose a Report to Display list,

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Adjustment Data: The adjustment data for the month of December are listed below:

Merchandise inventory	$86,110.00
Store supplies	685.00
Office supplies	300.00
Value of insurance policies	400.00

Date	Refer.	Account	Debit	Credit	Vendor/Customer
12/31/--	Adj.Ent.	1130 Merchandise Inventory	244.84		
		3140 Income Summary		244.84	
12/31/--	Adj.Ent.	6160 Store Supplies Expense	45.00		
		1140 Store Supplies		45.00	
12/31/--	Adj.Ent.	6570 Office Supplies Expense	97.60		
		1150 Office Supplies		97.60	
12/31/--	Adj.Ent.	6540 Insurance Expense General	143.00		
		1160 Prepaid Insurance		143.00	

Step 9: Display the adjusting entries.
Click the *Reports* toolbar button. When the Reports Selection window appears, choose the *Journals* option, select the *General Journal* report, and click *OK*. When the Journal Report Selection window appears, choose the *Customize Journal Report* option and click *OK*. Verify that the date range is December 01 through December 31 of the current year. Select the reference restriction of *Adj.Ent.* from the Reference drop-down list box so that only the adjusting entries are reported. (**Note:** When the *A* in *Adj.Ent.* is keyed, the computer searches the drop-down list, finds the matching reference, and places it in the reference text box.)

Step 10: Display the Financial Statements.
Choose the *Financial Statements* option from the Report Selection window, select the desired financial statement, and then click *OK*.

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Step 11: Display the Financial Analysis reports.
Choose the *Financial Analysis* option from the Report Selection window, select the desired financial analysis report, and then click *OK*.
Note: When the Ratio Analysis report is chosen, enter *50000* as the total number of shares of stock outstanding and *$4.15* as the market price per share in the appropriate text boxes.

Step 12: Generate the income statement and expense distribution graphs.
Click the *Graphs* toolbar button. Click the desired graph button.

BANK RECONCILIATION ACTIVITY

In this activity you will use the bank reconciliation feature to reconcile to a bank statement and display the reconciled statement.

Step 1: Enter the bank reconciliation data listed below.
Click the *Other* toolbar button. Click the *Reconciliation* tab and enter the bank credit, bank charge, balance shown on bank statement, and outstanding deposit amounts (the Checkbook balance will be provided by the computer). To enter the outstanding checks, move the pointer to the Checks from the Journal list, select the desired check (point and click to highlight), and then click *Select*. The selected check will appear in the Outstanding Checks

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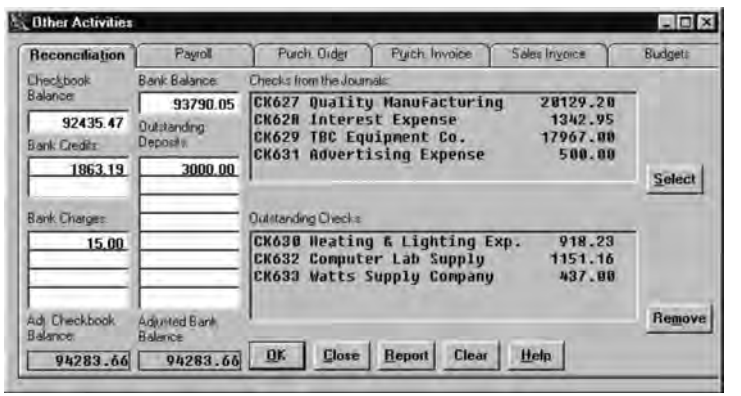
list, and the Adjusted Bank Balance will automatically be updated. Repeat this procedure for each outstanding check.

Checkbook balance	$92,435.47
Bank Credit	1,863.19
Bank charge	15.00
Balance shown on bank statement	93,790.05
Outstanding deposit	3,000.00

Outstanding checks as follows:

Check No.	Amount
630	$918.23
632	$1,151.16
633	$437.00



Step 2: Display the Bank Reconciliation report.
Click the *Report* button located at the bottom of the Bank Reconciliation tab.

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